LETTER REPORT

Upper Mississippi River Watershed, Minnesota

This Letter Report describes the scoping process that was used by the St. Paul District, Corps of Engineers to obtain and evaluate public, interagency, and Native American Indian inputs regarding water resource problems and opportunities currently known in the Upper Mississippi River watershed. The intent of this scoping process was to prepare a strategic vision that would help the Corps and other interested governmental entities to identify water resource problems and changing needs. Ultimately, the goal of the scoping would be to define a future Federal planning and/or implementation role to remedy the identified problems.

The study focus area extends from the Headwaters of the Mississippi River to Lock and Dam #2 in Hastings, Minnesota. Going into this scoping efforts, it was anticipated by the Corps that ideas would surface about what was good and what could be improved regarding the current Corps operation of 6 existing Federal Headwater reservoir projects that regulate Gull, Cross, Winni, Leech, Pokegama, and Sandy Lakes in the Headwaters of the Mississippi River. It was also anticipated that other water resources along the Upper Mississippi River might be identified where there might be a national interest that could lead to new planning studies and possible future Federal construction.

This scoping effort is intended to help identify entities that might be able to integrate study efforts to more efficiently or effectively help solve water resource problems or to take advantage of water related opportunities. The public involvement and interagency coordination accomplished in the process of preparing this letter report was intended to be a catalyst for leveraging funding and fostering future collaborative planning and implementation efforts (i.e., this report serves as a vehicle for seeking funding to initiate future multi-level government sponsored water resources studies in the study focus area).

A summary of the inputs received during the scoping process, an evaluation of possible future studies, and the associated findings and recommendations are documented in this report. To present this information clearly, the report has been divided into 3 sections. The first section presents a summary of the process and inputs received during the scoping effort. The second section presents possible future studies, potential non-Federal sponsors, and strategies for Federal funding. And, the third section is an executive summary of the current status of ongoing funding/financing for continued study efforts.

SECTION 1 - SUMMARY OF THE PROCESS AND INPUTS RECEIVED

PROCESS USED

In January of 1999, the St. Paul District, Corps of Engineers, in close cooperation with the Mississippi Headwaters Board (MHB), conducted a series of scoping meetings with the public and interested agencies in an effort to identify water resources problems and opportunities in the

Mississippi River Headwaters area. In February and March of 1999, the Corps of Engineers also sought inputs from Native American Indian Tribes/Bands in the study area to fully involve them in the scoping process. Then, in April and May 1999, meetings were held with key representatives of the Minnesota Pollution Control Agency to identify and initiate coordination of possible future mutually beneficial water study efforts for the Headwaters and Upper Mississippi River watershed area (from the Headwaters at Lake Itasca to Lock and Dam #2 near Hastings, Minnesota). Details of these scoping meetings area provided on the following pages.

INTER-AGENCY MEETINGS -- In December 1998 a letter of invitation was sent to approximately 300 agency representatives from local, regional, State, and Federal levels of government (see attachment 1 for copy of letter sent). These invitation letters identified that four interagency workshops /meetings to scope problems in the Headwaters area would be held in January 1999 and requested agency participation. Each of these meeting sessions was held in the late afternoon from 2 p.m. to approximately 4:30 p.m. The agenda used at each of these meetings is attached as attachment 2. A summary of logistical information about each of these interagency meetings follows.

Interagency Meeting, Session 1 - This session was held in Grand Rapids, Minnesota at the Council Chambers of the Grand Rapids City Hall on 5 January 1999. Approximately 25 participants (see attachment 3 for this meeting sign-in sheet) attended this meeting. Representatives of the Minnesota Department of Health, Minnesota Power, Minnesota Department of Natural Resources, Minnesota Department of Emergency Management, Forest Service/Chippewa National Forest, Headwaters Board, and the Corps of Engineers were in attendance.

Interagency Meeting, Session 2 - This session was held in Bemidji, Minnesota at the Bemidji Public Library Meeting Room on 6 January 1999. Approximately 25 participants (see attachment 4 for this meeting sign-in sheet) attended this meeting. Representatives of the Mississippi Headwaters Board, Minnesota Department of Natural Resources, Clearwater County Commissioners, SWCD/Beltrami, BWSR, LLDRM, Minnesota Pollution Control Agency, Forest Service/Chippewa National Forest, and the Corps of Engineers were in attendance.

Interagency Meeting, Session 3 - This session was held in Brainerd, Minnesota at the Crow Wing County Courthouse on 20 January 1999. Approximately 25 participants (see attachment 5 for this meeting sign-in sheet) attended this meeting. Representatives of Aitkin County Water Planning, Minnesota Rural and Partners, Minnesota Department of Health, Minnesota Department of Natural Resources, Crow Wing State Park, Crow Wing County Water Planning, Minnesota Pollution Control Agency, Mississippi Headwaters Board, and the Corps of Engineers were in attendance.

Interagency Meeting, Session 4 - This session was held St. Cloud, Minnesota at the Board Room of the Stearns County Administrative Center on 21 January 1999. Approximately 15 participants (see attachment 6 for this meeting sign-in sheet) attended this meeting. Representatives of the Bureau of Indian Affairs, Sources Water Protection, Stearns County Environmental Services, St. Cloud Public Utilities, Minnesota Department of Natural Resources,

Mississippi Headwaters Board, and the Corps of Engineers were in attendance.

PUBLIC WORKSHOPS -- A number of media announcements were prepared by the Mississippi Headwaters Board and the Corps and widely distributed to announce and provide background information to the public and the media about four scoping public open houses. These meetings were co-sponsored by the Corps and the Headwaters Board in January 1999. In the November 30th and December 30th issues of "Tidings", the Mississippi Headwaters Board Newsletter, the public open house meetings were publicized (see attachments 7 and 8 for copies of the Tidings newsletters). The distribution of these newsletters was expanded to include over 8,000 recipients for each mailing. A Corps Media Advisory was also issued and widely distributed by Public Affairs on 31 December 1998 (see attachment 9 for details). The newsletters and the media advisory resulted in National Public Radio coverage and St. Cloud Newspaper coverage of the announcement of the meetings. These media announcements indicated that four public open house meetings to scope problems and answer questions would be held in the Headwaters area in January. Each of these public open house meeting was held in the evening from 5 p.m. to 9 p.m. These were informal meetings set up as open houses where interested citizens could come to provide their ideas and concerns and receive answers to questions. A computerized slide presentation which lasted about 10 minutes was used to orient the public as they came to the open house and then they were given the opportunity to take with Corps of Engineers, Headwaters Board, MDNR, and County Commissioner Representatives.

A summary of logistical information about each of these public open house meetings follows:

Public Open House Meeting, Session 1 - This session was held in Grand Rapids, Minnesota at the Itasca County Courthouse Board Room 5 January 1999. Approximately 25 participants (see attachment 10 for this meeting sign-in sheet) attended this meeting. Participants at the meeting were mostly from Grand Rapids but residents from Cohasset, Swatara, and Deer River also attended.

Public Open House Meeting, Session 2 - This session was held in Bemidji, Minnesota at the Bemidji Public Library Meeting on 6 January 1999. Approximately 20 participants (see attachment 11 for this meeting sign-in sheet) attended this meeting. Participants at the meeting were mostly from Bemidji but residents from Cass Lake, and Wadena also attended.

Public Open House Meeting, Session 3 - This session was held in Brainerd, Minnesota at the Crow Wing County Courthouse on 20 January 1999. Approximately 25 participants (see attachment 12 for this meeting sign-in sheet) attended this meeting. Participants at the meeting were mostly from Brainerd and Aitkin but residents from Merrifield, Pine River, and Little Falls also attended.

Pu**blic Open House Meeting, Session 4** - This session was held in St. Cloud, Minnesota at the Board Room of the Stearns County Administrative Center on 21 January 1999. Only 5 participants (see attachment 13 for this meeting sign-in sheet) attended this meeting. Participants at the meeting were from St. Joseph, Cold Springs, Sartell, Royalton, and St. Cloud.

A short summary of findings from the scoping meetings was also widely distributed in the May

edition of the "Tidings" newsletter of the Mississippi Headwaters Board in order to provide some feedback to interested citizens (see attachment 14 for this article).

NATIVE AMERICAN INDIANS -- In early January 1999 an invitation was made to two Native American Indian Bands of the Chippewa Tribe asking them to meet to discuss their ideas and concerns regarding water resources in the Headwaters area. These requests for meetings came from the St. Paul District, Corps of Engineers to the Leech Lake Band and to the Mille Lacs Lake Band and resulted in meetings with Indian representatives on 22 January and 10 February respectively. Each of these meetings was held in the late morning from 10 a.m. to approximately 11:30 a.m. at the tribal reservation administration buildings. These meetings were cordial and very constructive. A Commissioner from each Band was present for these meeting as were natural resources specialists that manage/coordinate actions on Indian reservation lands and waters (see attachments 15 and 16 for sign-in sheets for these meetings). In addition to having meetings with the Leech Lake Band and Mille Lacs Lake Band, letters were sent by the Corps to the White Earth Reservation Business Council, Nett Lake Reservation Business Committee, Fond du Lac Reservation Business Committee, Grand Portage Reservation Business Committee, Red Lake Band of Chippewa Indians, Lower Sioux Indian Community Council, Minnesota Mdwakanton Sioux Prairie Island Indian Community, and the Shakopee Sioux Business Council (see attachment 17 for details). These letters invited those Indian groups to provide their ideas and concerns.

MAIL-IN INPUTS -- In the newsletters and at each of the interagency, public, and Tribal meetings, a point-of-contact at the Corps was identified where written or emailed inputs could be provided. To help facilitate written comments, a mail-in form and preaddressed and stamped envelope was made widely available at the public, interagency, and tribal contacts (see attachment 17 for details).

INPUTS RECEIVED

INTER-AGENCY INPUTS -- As a result of the four interagency workshop sessions, a number of issues/concerns and ideas were generated. The content of these inputs were documented on flip charts during the meetings and are summarized for each meeting below (Note: some of the inputs received are conflicting or present opposing positions; This is to be expected when conducting brainstorming scoping sessions such as these and no judgements on the inputs received were made).

Interagency Meeting, Session 1 held in Grand Rapids, Minnesota:

1. Floodplain Insurance Studies (FIS) are needed in the area to more clearly define the flood risks (i.e., the limited detailed studies need to be upgraded to full FIS studies).
2. Consider Corps operation of the Knutson Dam (Forest Service currently operates it).
3. Return Headwater lake levels to a more natural Streamflow regime with simulation of natural water levels and flows.
4. Identify and take into consideration recreational uses and associated benefits when evaluating possible changes is reservoir operations.
5. Inventory and evaluate development in the watershed/s.

6. Re-evaluate the Leech Lake River 1135 restoration project and others like it in the future.
7. When trying to better simulate natural water cycles, consider the water quality relationships and affects of changes in operations.
8. Integrate Source Water Protection Plans and drinking water assessment studies into future water resources studies.
9. Inventory and evaluate lake and river erosion in the study area and consider relationships to natural water regime/cycle.
10. Solidify agreements with managing agencies to continue the lower lake levels established on Lake Winni (i.e., the demonstration project is a success).
11. Find an authority that can be used to design and construct approximately 7 miles of remaining shoreline at Lake Winni.
12. The Pokegama -Sandy-Aitkin rule curve for flood protection at Aitkin needs to be re-evaluated from the economic perspective (current economics of protecting farmlands an Aitkin is the issue)
13. Formally address the 5-year conservation plan for Leech (consider wild rice as prime factor in regulation). Any changes at Leech need to consider the effects on Mud and Goose Lake and Mud Lake Dam; wild rice and wildlife are big issues there.

Interagency Meeting, Session 2 held in Bemidji, Minnesota:
1. Need to re-evaluate the operating plan for Stump Lake and prepare a detailed plan for that lake (consider walleye fishery vs. power generation needs).
2. Need detailed modeling and decisionmaking tool for the system (ecosystem oriented).
3. Erosion is a major problem on the river and on portions of the Headwaters Lakes that needs to be more fully evaluated and remedial actions defined.
4. Increased water quality inventories and monitoring is needed to allow better decisionmaking. (Clean water partnership activity is a good start to this work).
5. Make the future operating plans for the headwaters more like the run of the river.
6. Review the need and purpose for all dams in the system (e.g., maybe a weir could be used at Knutson Dam).
7. Twin Cities water supply requirements are an issue that will need to be addressed further in future studies.
8. The storage capacity of the existing dams needs to be evaluated from a water supply perspective and weighed with other beneficial water purposes.
9. Evaluations and remedial actions to address the loss of aquatic vegetation and wild rice are needed (e.g. bulrush decline problem).
10. An integrated interagency approach to control and monitor land use development is needed to protect the lakes and river.
11. Investigate non-traditional approaches to provide more access to water resources in the future (government provided vs. private sector provided access).
12. Promote public education as part of future study efforts.
13. Evaluate the significance of the Headwaters habitat as it relates to the declining population of diving ducks.
14. Analysis of lake drawdown affects on ice related damages.
15. Consider Corps operation of the Knutson Dam in the future (evaluations should include Wolf Lake/Cass Lake ecosystems).
16. Include local and county governments in study efforts to define future discharges and to

resolve management issues associated with changes in reservoir operations (include benefits for water quality and fish and wildlife purposes).
17. Research and evaluate the effects of fluctuating water levels, reseeding, and replanting on wild rice production.
18. Evaluate how lake levels affect walleye fishing.
19. Concern that berry plants on river and lake banks don't seem to be producing -- why not?

Interagency Meeting, Session 3 held in Brainerd, Minnesota:
1. Need to reflect the natural flux and patterns of water levels to greater extent in future water level management on the headwater lakes.
2. Need to take actions that will help to educate the public on economic, environmental, and natural implications of choices available. Recognize that a well-informed public will better accept any changes in water management.
3. Need to be aware of and take into consideration the affects any future changes in operation and related actions taken will have on local, county, and watershed floodplain zoning regulations. 4. Need to make new technology available to agencies and public as soon as possible (e.g., Geographic Information System (GIS) information should be made available to all levels of Government as soon as possible).
5. Define better Flood Insurance Studies (FIS) coverage, make it more available to everyone, and work towards improved coverage.
6. Heavy consideration should be given to water quality affects of any decisions to change water level management.
7. Lake shoreline erosion is a major problem on some lakes that needs to be considered and remedial actions defined and evaluated.
8. Wastewater disposal of the East Gull Lake City sewage is an issue that needs to be researched.
9. Surface water recreational uses are an issue on the headwater lakes and also on the river. Management of conflicting users is an important aspect of lake management.
10. Consideration of implications of changes in lake operations as it might relate to lakeshore property values is an important aspect to research and weigh in future management decisions.
11. Research on flow regime strategies (volume and timing studies) will help to improve decision regarding the river habitat.
12. Need to educate the public about the "natural" sedimentation process that occur on reservoirs/lakes.
13. Need to develop a good way to present visually the way the Corps manages the Headwaters for public information purposes. The extent of Corps control of the lake levels and flooding is not well understood and needs to be graphically presented...
14. Run of the river during the winter is power generation issue that needs to be considered when evaluating changing operations of the Headwaters lakes.
15. Need a better and interactive hydrologic and hydraulic relationship inventory and model from which to make sound decisions.
16. Need to think from the big picture perspective about the real threats to the public and to natural environments. To evaluate these threats and make the public more knowledgeable about them.
17. Need to be aware of institutional constraints and find way to work within those constraints more effectively.

Interagency Meeting, Session 4 held St. Cloud, Minnesota:

1. When Corps studies begin, need to incorporate local, county, and watershed plans and objectives so as to foster those plans.
2. The potential Little Falls dredging project currently begin reevaluated by the Corps is not a wise investment nor is it needed.
3. The public and agencies need better access to dam safety reports and the risk of dam failure needs to be better presented/known by public. FERC license reviews should be more widely distributed.
4. Fishermen have river access problems at Sartell.
5. There is a need for better public education as part of future Corps studies so that the public inputs and pressure will be based on good reasoned decisions by the public.
6. Wetland preservation/protection/restoration is very important in the headwater area of the watershed.
7. There is a need to make existing Corps authorities and programs better known to the public and all levels of government.
8. There is a need to do a better job of assessing the affects of ice induced flooding. Better monitoring of ice conditions is needed and should be coordinated.
9. Phosphorus levels are a key variable in managing water quality and needs to be better monitored and researched on the river.
10. Future wastewater plants located on the river are a potential water quality and quantity issue that needs to be monitored and protected.
11. Sub-watershed level of Corps technical assistance is needed and so is funding to implement preservation and protection measures to protect water resources (inventories, monitoring, remedial action funding from Federal Government needed as a grants type program).
12. Fish movement projects through the existing dams needs to be further evaluated. Dam removal should be looked at as one possible solution (e.g., Rum River Dam should be considered for removal.).
13. Maximize funding to do protection/restoration projects using partnering of local/State/Federal funding.
14. Need to take into consideration the needs of power plant for water supplies when doing future water quantity studies.

PUBLIC INPUTS -- As a result of the four public open house meeting sessions, a number of issues/concerns and ideas were generated by the public. The content of these inputs were documented on flip charts during the open houses and are summarized for each meeting below (Note: some of the inputs received are conflicting or present opposing positions; This is to be expected when conducting brainstorming scoping sessions such as these and no judgements on the inputs received were made).

Public Open House Meeting, Session 1 held in Grand Rapids, Minnesota:

1. Streambank / shoreline erosion problems need to be addressed in future Corps studies.
2. Water quality problems, especially phosphorous loading, needs to be addressed in future

Corps studies.
3. Siltation, increase aquatic weed growth, and watershed development need to be evaluated in future studies. Dredging to correct the siltation problems needs to be evaluated fully.
4. Studies/research is needed to identify the sources of nutrients coming into the Headwater Lakes.
5. Studies to determine the affects or drawdowns on furbearers and aquatic resources are needed.
6. Timing of drawdowns needs evaluation.
7. Need to evaluate and consider the affects flooding has on loons and on wild rice.
8. High water levels on Pokegama Lake are having an adverse affect on shoreline stability (erosion is a problem).
9. Ice formation at higher elevations on the lakes and rivers is shearing soils and increasing erosion.
10. Water transfers in and out of Jay Gould needs evaluation.
11. No dam is needed at White Oak Lake. Need to restore the natural flow in this area.
12. Drawdown Pokegama earlier and farther in the spring. Shut down Winni and Leech lakes earlier.
13. Erosion in the White Oak Lake area is growing problem.
14. Redo the economics of lake operations (rule curves for operation) for Sandy, Pokegama, Leech, and Aitkin areas.

Public Open House Meeting, Session 2 held in Bemidji, Minnesota:
1. Don't fluctuate the water levels so much at Wolf Lake (controlled at Ottertail Dam).
2. Need better communications about operations between Ottertail Power and Knutson Dams.
3. Manage all the reservoirs/dams as a total system (including Stump Lake and Knutson Dam).
4. Make the low flow plan for Stump Lake Dam and Knutson Dam easily available to the public (concern focus is the area below Stump Lake during low flows).
5. Evaluate why the wild rice beds in Leech Lake are not as productive as they once were.
6. Evaluate why the walleye populations in Winni have declined.
7. Control development along the river and reservoirs in headwaters area to preserve the resources.
8. Model the watershed of Stump Lake so the outflow could be regulated based upon key information about conditions in the upper reaches of the watershed.
9. Mimic nature as much as possible in the operation of the reservoir (the managed hydrologic regime should reflect nature - like the pool 8 drawdown project on Mississippi River). For example, consider rotating drawdown of reservoir to allow the natural cycle periodically).
10. Evaluate and implement an intentional lowering of Winni water levels to promote aquatic plant growth between Cass and Winni (like the pool 8-drawdown works on the Mississippi River).

Public Open House Meeting, Session 3 held in Brainerd, Minnesota:
1. Increased river flow releases after ice formation has contributed to river shoreline erosion. Suggest drawdown earlier.
2. Look at operating lake levels to improve both lake and river environments.
3. Integrate operations of private (and other non-Corps) dams into a systematic operating plan for the Headwaters.

4. The shoreline and access channel at Spider Lake is eroding. Look at this problem and see what can be done to restore and protect the shore.
5. Whitefish spawning has been impacted by some late fall drawdowns due to desiccation and ice crushing.
6. Sedimentation, island formation, and increased aquatic vegetation in the river near Executive Acres on the Mississippi River above Brainerd are a increasing problem. This needs study to see what remedial actions are possible.

Public Open House Meeting, Session 4 held St. Cloud, Minnesota:
1. Need studies of effects of wetland drainage on water quality (protection of wetlands important).
2. Need more studies and actions to protect water quality; both surface and ground water.
3. Need to better mark the recreational boating hazards located on Mississippi between Little Falls and Blanchard Dam.

NATIVE AMERICAN INDIAN INPUTS -- As a result of the two meetings with tribal representatives, a number of issues/concerns and ideas were generated. The contents of these inputs were documented on flip charts during the meetings and are summarized for each meeting below.

Leech Lake Band Meeting held on Leech Lake Reservation Lands:
1. Need to better coordinate all regulatory permits with Indian nations (especially concerned about the current lack of Band opportunity to affect changes to areas/projects for those projects that do not require permits because they are covered by nationwide permits).
2. As part of any future water regulation studies, the Corps needs to conduct a detailed survey of Indian/Tribal needs and objectives.
3. Wild rice production is a key Tribal trust resource that needs a lot of consideration in all future planning.
4. The Tribe/Band needs to be directly coordinated with regarding all cultural and historical/archeological matters (i.e., don't go through other Governmental entities).
5. Need to develop a reservoir operations and floodplain strategy that will allow greater releases of water on Aitkin in order to manage for wild ricing in the lakes.
6. Need to include new economics (tangibles) and intangibles (tribal trust and Fish and Wildlife values) into any changed operations plan for the Headwaters.
7. Need to fully coordinate all water quality management efforts with the Band.
8. Investigate the possibility of the Corps operating the Ottertail Dam.
9. Mimic nature to a much greater extent in redefining the future operating levels in the Headwaters Lakes.
10. Revisit the 1135 project on the Leech Lake River to see if it can ecology of the river.
12. Do additional research on loss of open sand beach tern habitat in the headwater lakes area (possible 1135 project).
13. Expand the prominence and role of the Tribes/Bands in future scoping and detailed studies associated with changes in headwaters operations.
14. Explore ways to improve future Corps O&M, and other funding authorities for work efforts in the headwaters area.

15. Need to do studies to define the affects of different water level management plans on existing vegetation in attempts to restore past habitats.

Mille Lacs Band Meeting held on Mille Lacs Reservation Lands:
1. In future headwater studies make sure that wild rice production is listed as a separate and significant resource from general Fish and Wildlife concerns. Ricing is a key tribal trust resource. 2. Minnesota Department of Natural Resources is currently managing Ogechie Lake levels via a dam. The Band feels that the lake levels needs to be reduced to encourage restoration of past rice production. This could be a possible Section 206 project to study and restore rice production areas.
3. There is a need on the 33-acre burial site on the north end of Big Sandy Lake to do a proper memorial and plaque to commemorate the 300 persons who died at this site (need to coordinate further with the District Historian and the Headwaters Field Office Manager).
4. Lake levels at Big Sandy Lake are currently very good for wild rice production and should be kept at the current operation level.
5. Floodplain mapping for flood insurance purposes on the reservation lands is needed. The current mapping is not adequate and future development of housing is going to create a problem if a better Flood Insurance Study and flooded area outline mapping is not prepared.
6. Rice Lake Refuge and Dam, operated by the USFWS, is operated for migratory waterfowl. However, this area is also a source of wild rice for the Band. The Band feels that a study to determine what can be done about the sedimentation of the lake is needed (e.g., flushing the lake is the possible action needing further evaluation).
7. There is a need for more research on airborne pollution associated with phosphorus and attrosine.

MAIL-IN INPUTS -- As a result of the wide distribution of the "Tidings" newsletters and mail-in forms, a number of ideas and concerns were mailed or emailed to Corps and/or Headwaters Board points-of-contract. Inputs received came from individual citizens and from local, County, and State Officials. These inputs began to be received from December 1998 and continue to arrive at the Corps St. Paul District Office and the Mississippi Headwaters Board Office and are being evaluated and incorporated into the project files for incorporation into future study efforts.

The inputs received from the various above input sources were used as an important background information source by an experienced interdisciplinary team of planners, engineers, and environmental specialists and scientists from the St. Paul District Corps of Engineers. This interdisciplinary team met in late February and in March to brainstorming the nature of possible future Federal studies. As a result of these meetings a vision strategy for future study and non-Federal sponsorship began to emerge that would be meaningful and responsive to public, interagency, and tribal water resource concerns in the study area. The vision strategy evolving is for future studies in the study area is described conceptually in section 2 of this Letter Report. It is important to note that a Federally funded reconnaissance report is proposed to further coordinate and define in greater details the specific cost-shared studies and projects that will be pursued in the future.

SECTION 2 - NEEDED FUTURE STUDIES AND POTENTIAL NON-

FEDERAL SPONSORS

Based upon inputs recently received from the public, agencies, and Native Americans, a number of vision forming issues and opportunities were repeatedly voiced and are noted. These are summarized as follows:

1. There is a need for a systematic headwater reservoirs regulation plan that focuses on optimizing lake levels for tribal trust, economic, and environmental purposes. There is interest in restoring and/or mimicking natural water processes to the lakes and rivers in the study area. The current operating plans used to manage the Federal lake levels in the headwater reservoirs are in need of updating to reflect current uses and needs and other non-Corps managed existing lakes should also be evaluated and included in a systemwide reservoir regulation plan (e.g., Tribal trust responsibilities are not fully defined or being adequately integrated into the current Federal headwaters reservoir operations. Also, economic conditions have significantly changed associated with the various uses of the Headwater Lakes and need to be reevaluated to account for the greater development and recreational uses around and in the lakes). It is anticipated that the water resource studies associated with the existing Federal reservoirs would be funded using available Corps of Engineers operations funding. The studies of the other non-Federal lakes to be integrated into the system would be inventoried and evaluated as part of a new start Congressionally authorized watershed-planning study.

2. The public and all levels of government recognize that watershed water quality modeling and monitoring is needed to establish baseline data, formulate related trends, and establish and distribute practical models for use by all levels of Government and the general public (these evaluation are important throughout the Upper Mississippi River but a particularly needed for reaches upstream of St. Cloud, Minnesota). Better scientific watershed water quality monitoring and modeling is needed to help resources managers at all levels of Government to help make good decisions and thereby protect and/or restore important water resources in the Headwaters Area. The water quality inventory and analysis would be used to establish resource quality targets and trends would aid in defining needed environmental restoration and preservation projects and would be studied as part of the Congressionally authorized watershed planning new start study and as part of ongoing water quality efforts associated with management (operations and maintenance) of the existing Corps Headwaters projects.

3. Local and regional water management goals and objectives need to be carefully defined with the intensive involvement from local governments and the public. Accordingly, the resource goals and objectives that are to be adopted as the foundation of future interagency watershed planning studies will be locally supported (the goals and objectives should not be Federally established).

4. Minneapolis and St. Cloud rely heavily on water supply from the Mississippi River. During low flow events on the Upper Mississippi River, recent studies show that water releases from the existing Headwater reservoirs would not be an effective way to provide water supply for those Cities. Therefore, there is a need to define a practical and implementable alternative emergency water supply plan for those communities -- during low river flow/drought conditions. The emergency water supplies could also provide these river water dependant cities with a supply

during river contamination scenarios. These evaluations would be accomplished in close cooperation with the local stakeholder as part of the new start watershed planning study. The likely non-Federal sponsors for these efforts would be the Minnesota Pollution Control Agency, the Metro Council, and the Mississippi Headwaters

5. The public is tired and confused by the numerous related but separate agency initiatives of the past to plan for water resources in the area. Accordingly, it is recommended that a number of upcoming Corps of Engineers, Minnesota Pollution Control Agency, and Metro Council watershed planning study efforts be integrated into a single more comprehensive study to minimize public confusion and foster comprehensive cooperative watershed planning. This approach will help to leverage more funds from all levels of government and is more likely to result in meaningful remedial management actions and projects (e.g., the Corps and MPCA are both already scheduled to go to the public separately to address watershed planning types of concerns during the next 3 years -- there is an opportunity to consolidate these planning efforts into one more comprehensive effort that can be taken to the public together). Funding necessary to do a good job of preparing a systematic reservoir regulation plan/report, for comprehensive watershed planning to better manage water quality and water supplies would be best sought from a number of sources. This approach is needed to leverage the significant monies required for this comprehensive planning work and would also more fully involve all levels of government and private groups.

6. Specifically, funding of these planning efforts should be pursued Federally via a number of existing and new funding sources; These sources should be further defined and coordinated in a more detailed studies scope that would be accomplished in reconnaissance study funded by the Federal Government. A variety of Federal sources should be pursued for these studies and the types of funds should include:

- Ongoing Corps Headwaters O&M program funding for continued resources inventories and analysis. Also, a cost-sharing program called Challenge 2000 offers partnering with non-Federal entities to accomplish specific studies and implement beneficial implementation actions.
- A Congressionally authorized watershed planning/management study that would look at water quality, flood reduction, fish and wildlife, water supply, tribal trust, and recreation outputs.
- Planning Assistance to the States funding should also be pursued to leverage funds and cooperative partnering for defined planning/study work efforts. The likely non-Federal sponsor/s for the Planning Assistance to the States study efforts would be the Minnesota Pollution Control Agency and/or the Minnesota Department of Natural Resources, the Mississippi Headwaters Board, the Metro Council, and the American Indian Tribes/Bands.

7. Generally, there is a relatively high level of public satisfaction with the Corps of Engineers current regulation of the Headwater reservoirs. Also, there is currently strong support for a greater Corps O&M involvements for the Headwaters area. However, there is a growing desire by the Federal Government to look at the potential deauthorization of existing projects to reduce operations and maintenance costs where authorized project purposes are no longer valid. There is also a general Corpswide initiative in Washington that will begin to gradually cut back the O&M funding of all existing projects, including the Headwaters project. Therefore, there is a

need to carefully look at the possible redefinition of the Federal project purposes for future Federal operations of the Headwater reservoirs project (i.e., future Corps studies should evaluate and could lead to Congressional action to deauthorize the current navigation authority at the Headwaters project and reauthorize the future management of the Headwaters project for other more current purposes/missions).

SECTION 3 - EXECUTIVE SUMMARY AND DESCRIPTION OF CURRENT STATUS

The Mississippi River has its beginning at its headwaters at Lake Itasca. This river has tremendous national historic significant and reflects the story of the American continent from Native American, to European exploration, to intensive modern multiple uses of this resource. Truly the Mississippi River has and continues to shape the life of the region; fostering commerce, transportation, city development, and enriching the region with natural, recreational, and cultural amenities.

There is a growing recognition that economic value to the people of the region is dependant on a healthy Upper Mississippi river environment and that future coordinated and comprehensive land use and water management is critical to continued clean and productive use of the river. Accordingly, the public and resources managers at all levels of Government are attempting to form cooperative partnerships to collect key baseline land use and water data, identify and evaluate basinwide problems and opportunities, and to work together to define meaningful protection and restoration actions that will insure future economic and natural viability of the river. The Upper Mississippi River, from Lake Itasca downstream to Lock and Dam 2 at Hastings, Minnesota (this reach is inclusive of the Twin Cities) is a river reach of the Mississippi that is faced with many land and water use development pressures that jeopardize the quality of the resource. For example, recent urbanization of many small towns in the upper reaches of the Mississippi River watershed tributaries is beginning to degrade water quality. Degraded water quality could impact water supplies for St. Cloud and Minneapolis, undermine the wild and scenic river quality of the river upstream of St. Cloud, Minnesota and the future viability of the Mississippi National River and Recreation Area in the Twin Cities. Also, a major concern is that there is no emergency water supply for the City of Minneapolis in the event of low river flows or river contamination (Minneapolis currently relies heavily on the Mississippi River for it's water).

It is clear to many governmental managers that a multi-agency partnership is needed to prepare a comprehensive Upper Mississippi River watershed/basin management feasibility study to address these and many other water quality, water quantity, and water use issues. Tentative agreement has now been reached by the St. Paul District Corps of Engineers, the Minnesota Pollution Control Agency, and the Mississippi Headwaters Board to cost-share in future watershed planning studies for the Upper Mississippi River, if necessary funds are secured in a timely manner.

U.S. House of Representative Congressman James Oberstar, with the urging of the Mississippi Headwaters board, recently requested Congressional authority and funding for a Federal/Corps Reconnaissance Study. As a result, the study has been authorized by Resolution of the Committee on Transportation and Infrastructure of the U.S. House of Representatives, 15 April 1999. The specific language of this House Committee resolution follows:

RESOLUTION

Upper Mississippi River from Lake Itasca to Lock and Dam 2 - Minnesota

Resolved by the Committee on Transportation and Infrastructure of the United States House of Representatives, That the Secretary of the Army is requested to review the reports on the Mississippi River above Coon Rapids Dam near Minneapolis, Minnesota, submitted in the House Document 66, 73rd Congress, first session, and other pertinent reports with a view to determining whether modifications of the recommendations contained therein are advisable at this time in the interest of flood damage reduction, environmental restoration and protection, water quality, and other purposes with a special emphasis on determining the advisability of developing a comprehensive coordinated watershed management plan for the development, conservation, and utilization of water and related land resources in the Upper Mississippi River and its watersheds from the Mississippi's headwaters to Lock and Dam # 2 at Hastings, Minnesota

It is anticipated that this authorizing resolution will lead to Congressional action to appropriate $100,000 of Federal funds for completion of a Corps reconnaissance study. The Congressional appropriations bill funding the reconnaissance study would also allow the Corps to cost-share detailed feasibility studies if the reconnaissance report finds a Federal interest and identifies a cost-sharing non-Federal Sponsor/s. It is hoped that the necessary appropriation of funds for these study efforts will be made available in FY 2000. More detailed feasibility studies could then be initiated as early as calendar year 2001.

Past and Possible Future Studies:

Corps lead study and coordination efforts that have been or are recommended in the future are listed below by fiscal year **(<u>Note</u> – The Federal funds shown below are recommended levels of funding to complete the recommended studies in a timely manner – However, the actual allocations of funds may not be available from Federal and/or non-Federal sources and are therefore subject to change):**

Fiscal Year 1999 Work Efforts - Public, interagency, and Native American meetings to obtain inputs (done was accomplished in January – March 1999). Completion of this short letter report documenting water resource problems and opportunities and defining possible funding strategies to initiate future Federal (this will be completed in May 1999 and distributed in June 1999). Additional networking and coordination between representatives of the Corps, Metro Council, Minnesota Pollution Control Agency, Minnesota Department of Natural Resources, and the Mississippi Headwaters Board will be conducted in June – August to help further define conceptual collaborations. This will lay the framework for more detailed discussions when the reconnaissance study begins.

Fiscal Year 2000 Work Efforts - A Quality Control Plan (QCP) for the reservoir regulation update is tentatively scheduled to be completed in fiscal year 2000 to refine the scopes of work, work schedules, associated costs, and define study team members. The QCP for O&M efforts will focus upon fully coordinating with the State of Minnesota, Native American Indians/Tribes, and the Mississippi Headwaters Board to define what works can be accomplished via leveraged O&M (e.g., Challenge Partnering funded efforts) and Section 22 program funded efforts. As part of this work, formalized agreements would be coordinated in this year.

As part of a new start reconnaissance study, a Project Study Plan (PSP) for the watershed planning and water quality modeling and monitoring efforts would also be completed this FY. This watershed planning/management new start reconnaissance study would also collect data and evaluate possible expanded systemwide reservoir management options (i.e., the study would collect data on non-Corps operated lakes in the system to help develop a systemwide reservoir regulation plan).

Needed new data, critical to a variety of future Corps Headwaters studies, would be identified with the help of stakeholders. Then, the most pressing data collection and analysis efforts needed would be pursued using cost-shared Federal and non-Federal funding agreements (i.e., Section 22 program and/or Challenge Partnering Agreements to initiate inventories would be enacted in fiscal year 2000).

Fiscal Year 2001 and Beyond - Section 22 and/or Challenge Partnering funded data collection would begin in 2001 and continue into the future to establish baseline and trends data. $150,000 of O&M funds have been identified to initiate O&M related work at the existing project in 2001. $100,000 in O&M funds have been identified to finalize the reservoir regulations work at the existing project in fiscal year 2002. If the new start reconnaissance study show a Federal interest and a Local Sponsor wishes to pursue further studies, a feasibility study to further coordinate and define watershed ecosystem management, water quality, and expanded systematic Federal reservoir management could be initiated in 2001 and completed in 2002.

Recommendations, Questions, and Comments:

Although the scoping studies conducted and documented by this report have clearly made progress in defining the primary water resource problems and opportunites in the study area, in mobilizing non-Federal and Federal managing entities towards future partnerships, in fostering local actions to work with their Congressional Representatives to obtain the needed authority for new start studies, and in justifying Corps Operations and Maintenance funding for future Headwater Reservoirs study, there is still much more work to do to secure the needed Federal and non-Federal funding to make the strategies conceptually defined in this report a reality.

If you have specific questions regarding the content or strategies presented by this scoping letter report, please contact:

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Enclosures

1. Interagency Invitation Letter
2. Agenda for Interagency Meetings
3. Interagency Sign-in Sheet (Session 1)
4. Interagency Sign-in Sheet (Session 2)
5. Interagency Sign-in Sheet (Session 3)
6. Interagency Sign-in Sheet (Session 4)
7. Tidings Newsletter of November 30, 1998
8. Tidings Newsletter of December 30, 1998
9. Tidings Newsletter of March 31 1999
10. Media Advisory from COE Public Affairs
11. Public Open House Sign-in Sheet @ Grand Rapids
12. Public Open House Sign-in Sheet @ Bemidji
13. Public Open House Sign-in Sheet @ Brainerd
14. Public Open House Sign-in Sheet @ St. Cloud
15. Leech Lake Band Sign-in Sheet
16. Mille Lacs Band Sign-in Sheet
17. Letter to Indian Tribal entities Asking for Inputs
18. Mail-in Inputs Form